

## Message Text

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43

ACTION PM-03

INFO OCT-01 ARA-06 ISO-00 SS-15 NSC-05 OMB-01 EB-07 COME-00

TRSE-00 MC-02 DODE-00 L-03 /043 W

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R 121657Z JUN 75

FM AMEMBASSY PANAMA

RUEHC/SECSTATE WASHDC 4168

INFO USCINCSO

CONFIDENTIAL PANAMA 3471

E.O. 11652: GDS

TAGS: PFOR/MASS/PN

SUBJECT: FMS CREDIT FOR PANAMA

REF: STATE 129830

1. (C) IN RESPONSE TO REFTEL, AMENDMENT OF PANAMA'S FY 76-77  
CASP SUBMISSION IS REQUESTED IN ORDER TO ESTABLISH FMS CREDIT  
PROGRAM FOR PANAMA FOR .5M FOR FY76 AND .1M FOR FY77. AMENDMENT  
MAY BE ACCOMPLISHED BY EFFECTING FOLLOWING CHANGES TO CASP  
SUBMISSION:

A. UNDER OBJECTIVE 6 OF PROPOSED ACTION PLAN, PAGE 15, ADD, UNDER  
"ESTIMATED FY76 RESOURCES" COLUMN: 500 FMS CREDIT. UNDER "ESTIMATED  
FY77 RESOURCES" COLUMN; 1000 FMS CREDIT.

B. IN ANNEX A, PAGE 1, TABLE 1 UNDER "FY76 AND FY77 PLANNED"  
COLUMNS: FOR FMS-CREDIT, INSERT FIGURES 1000 AND 500, RESPECTIVELY.

2. (C) AS STATED IN THE CASP, TWO OF OUR OBJECTIVES ARE TO  
"PROMOTE THE SELF-SUFFICIENCY OF THE NATIONAL GUARD AND ITS ABILITY  
TO ASSUME AN EXPANDED ROLE IN CANAL DEFENSE;" AND TO "MAINTAIN  
FAVORABLE DISPOSITION OF NATIONAL GUARD TOWARD THE U.S. AND CONTINUE  
THE POSITION OF THE U.S. AS THE PRINCIPAL SOURCE OF MILITARY  
EQUIPMENT AND TRAINING." WE THEREFORE RECOMMENDED IN THE CASP THAT  
"THE USG SHOULD MAINTAIN COOPERATIVE DEVELOPMENT AND SECURITY  
ASSISTANCE PROGRAMS IN PANAMA."

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3. (C) THE GN HAS, SINCE FORMULATION OF REFERENCED CASP, EXPRESSED DEFINITE INTEREST IN ACQUISITION OF MATERIEL AND EQUIPMENT TO IMPROVE THE MOBILITY OF ITS TACTICAL FORCES. THEIR PRINCIPAL OBSTACLE IN OBTAINING SOME OF THIS EQUIPMENT APPEARS TO BE LACK OF CASH TO EFFECT PURCHASES COMMERCIALLY.

4. (C) PROVISION OF FMS CREDITS IS CONSISTENT WITH CASP OBJECTIVES AND WOULD SERVE AS AN EARNEST OF OUR READINESS TO ASSIST THE GN INCREASE ITS ABILITY TO ASSUME AN EXPANDED ROLE IN CANAL DEFENSE UNDER A NEW TREATY RELATIONSHIP. THE ABILITY TO PROVIDE THE REQUESTED CREDIT, DURING THE IMMEDIATE MONTHS AHEAD, IS NEEDED TO DEMONSTRATE THE DESIRE OF THE USG TO COOPERATE WITH AND ASSIST THE GOP. THIS NEED MAY BE OF EVEN GREATER URGENCY, IF TREATY NEGOTIATION OR RATIFICATION IS STYMIED, AS A TOOL FOR CONTINUING COOPERATIVE ASSOCIATION WITH THE GOP.

JORDEN

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MILITARY CREDIT, MILITARY SALES  
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**Copy:** SINGLE  
**Draft Date:** 12 JUN 1975  
**Decapton Date:** 01 JAN 1960  
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**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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**TAGS:** PFOR, MASS, PN  
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